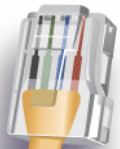


BELLSOUTH REPLY COMMENTS

WC Docket No. 05-25
RM-10593

July 29, 2005

Attachment 5



TIME WARNER  TELECOM

CONNECTING YOUR BUSINESS TO MORE BUSINESSSM



Investor Presentation

June 2005

Safe Harbor Statement . . .



Statements made during today's presentation may include certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on management's current expectations and are subject to risks and uncertainties. These risks include the risks summarized in the Company's filings with the SEC, including the section entitled "Risk Factors" in its Annual Report on Form 10-K.

Time Warner Telecom Inc. is under no obligation, and expressly disclaims any obligation, to update or alter its forward-looking statements whether as a result of new information, future events or otherwise.

Comments and discussions related to financial performance and trends are based on the information from our first quarter 2005 earnings call and press release. Please see our Q1 2005 earnings release at www.twtelecom.com.



Time Warner Telecom
... Connecting Your Business to More Business

Company Overview

Strong Growth Continues . . .



- Data and Internet Revenue Growth 29%
- Enterprise Revenue Growth 16%
- Customer Growth 17%
- Modified EBITDA Growth 15%
- Modified EBITDA Margin 35% for Q1 05
- Unlevered Free Cash Flow 13 Consecutive Qtrs.

(1) "Growth" refers to year over year change for the three months ended Q1 2005 versus Q1 2004.

(2) Unlevered free cash flow is defined as Modified EBITDA less capital expenditures.

Our Strategic Strengths . . .



- We have robust optical, data & IP networks, ***combined*** with extensive local connectivity into buildings
- Industry leading Ethernet portfolio and experience with large market opportunity to replace legacy technologies
- Expertise in network integration to leverage to solve customer's networking problems
- Large and growing Enterprise customer base with significant market opportunity

***. . . We are a data networking company
Connecting businesses to more business***

Significant Enterprise Market Opportunity . . .



Market Definition:

Enterprise: mid & large size businesses with 100+ employees

Characteristics:

- 2% of U.S. businesses are mid & large sized
- U.S. mid/large size business telecom spend annually is estimated to be \$32B

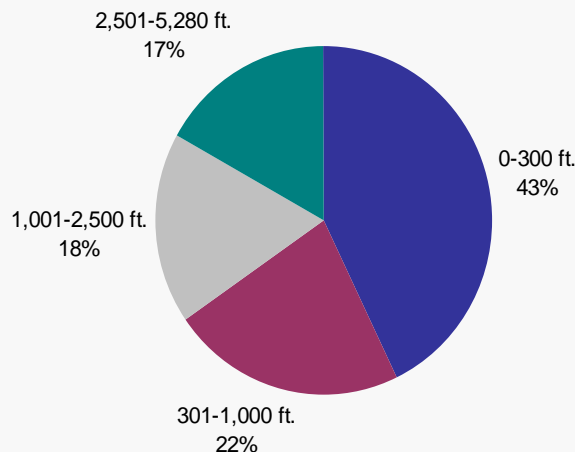
TWTC Addressable Market Potential*:

- \$4.9B in telecom spend annually

~70,000 business sites reside in TWTC markets

Over 50,000 business sites reside w/in 1 mile of our Fiber

**Addressable Enterprise Businesses
by Distance from TWTC Fiber**

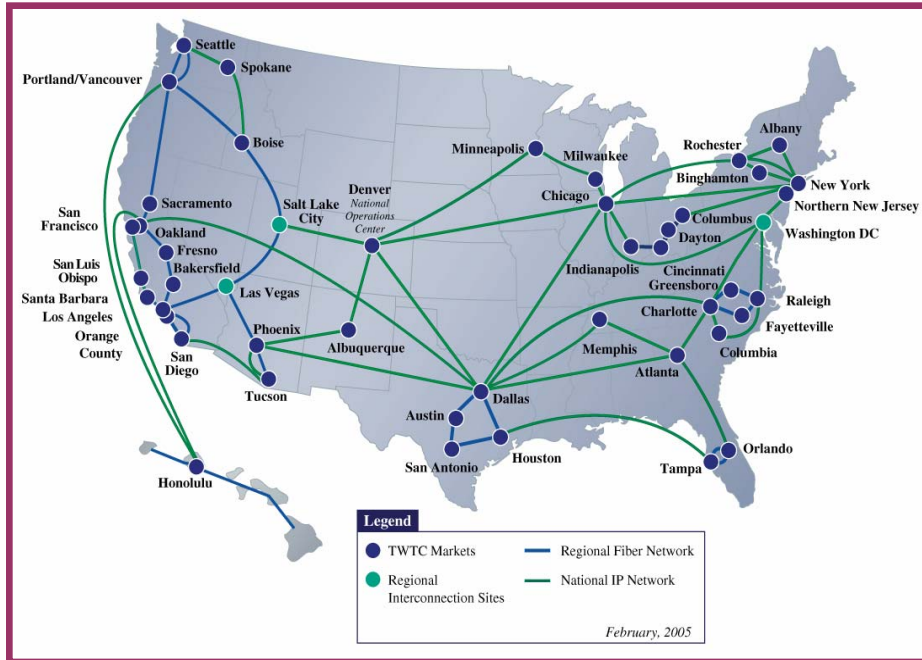


*TWTC addressable market based on likely spend on TWTC suite of products & services from 100+ employee businesses located within 1 mile of TWTC fiber.

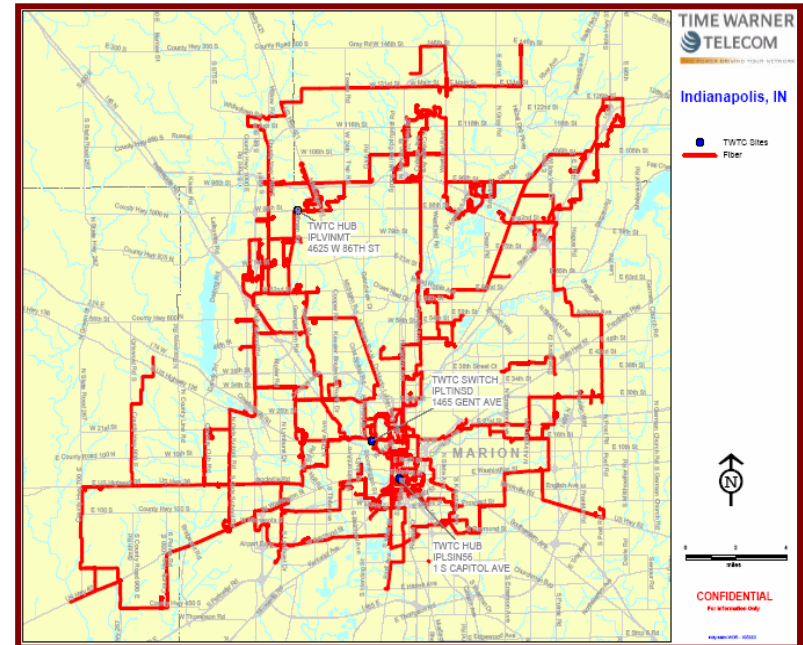
Our Powerful Asset – managing direct connections to the customer



Powerful Fiber Network



Extensive Local Infrastructure

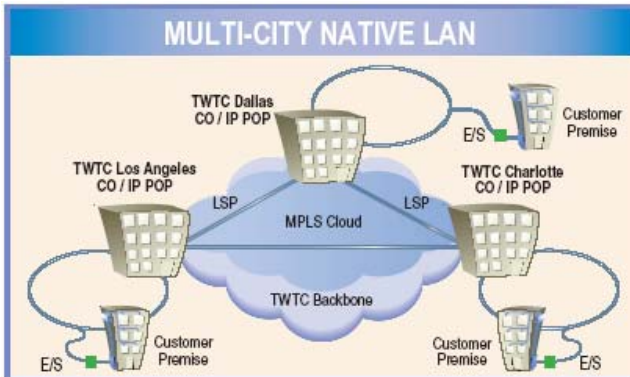
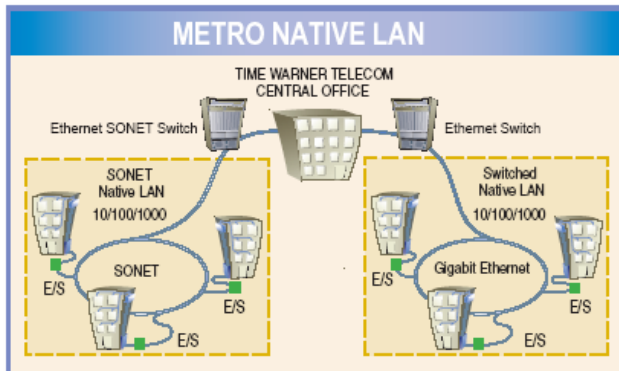


- **Nearly 20,000 fiber route miles** -- across 44 markets
- **Nearly 5,300 buildings** -- lit with fiber based services
- **A multi service IP backbone** -- operating up to OC-192/10 Gig

Ethernet Innovation & Leadership . . .

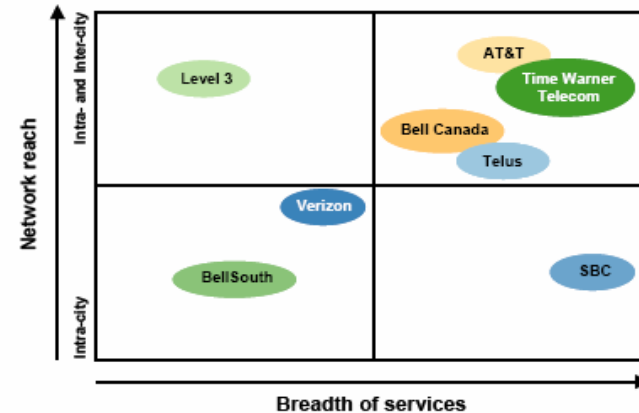


Ethernet - How it Works



How Industry Analysts rate TWTC

Figure 2: Market positioning of leading North American Ethernet service providers

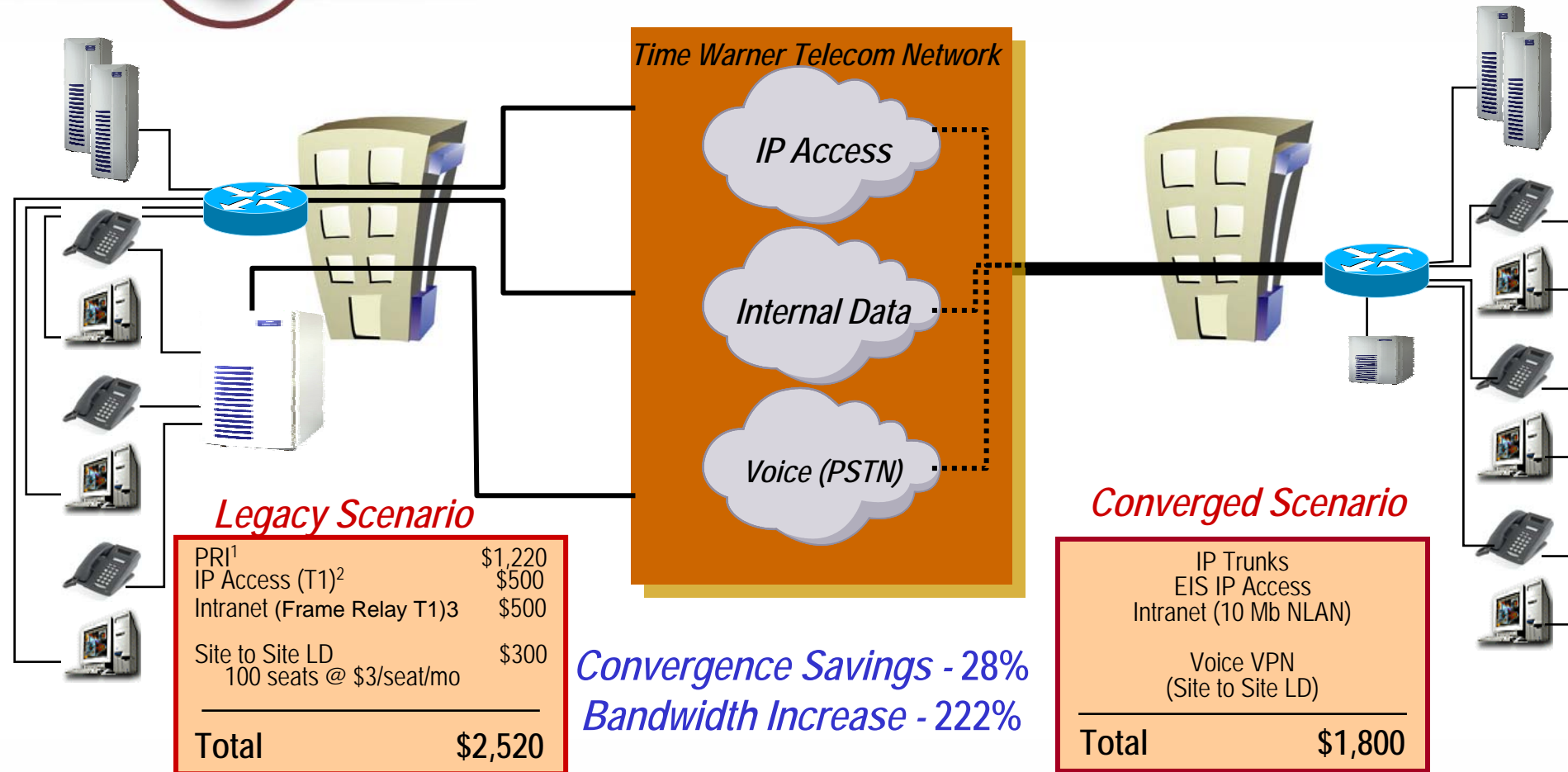


Source: RHK Inc.

- **Robust suite of Ethernet Services**
- **Industry Leader**
- **Breadth of Network reach --**
Doorstep-to-Doorstep, Market-to-Market
- **Scalable bandwidth** from 2 Mbps to 10 Gig

*We are a data networking company
helping businesses run more efficiently*

Convergence – End to End solutions with a single connection



Customer Case Study: *Radiology Ltd.*



*Integrated Network Solutions -
Delivering Business Efficiencies!*



DS-1
Remote
Access



Time Warner Telecom
Metro Ethernet
& Optical Transport

PACS



TWTC IP Backbone

TWTC Voice

Application Notes

- ✓ Replaces DS-3 Backbone
- ✓ 6 Node, 100 Mbps Ethernet over SONET Circuits
- ✓ 30 Mbps of TWTC Internet Access
- ✓ DS-1s for Remote Sites (Doctor's Homes)

Driving Efficiencies

- ✓ Processing 1 million images every 5 weeks **BEFORE** solution
- ✓ 30% productivity improvement in reads, analysis
- ✓ Significant **expense** reduction by eliminating films, couriers
- ✓ **Doubled** available bandwidth, same monthly expense
- ✓ Web access improved referring physician access – from **1.5 days** to 5 minutes
- ✓ Improved emergency reads and analysis by 45 minutes per case

Strategic Developments . . .



Two major agreements with AT&T and SBC

- ***AT&T and SBC Customer Agreement – Effective upon Merger***
 - Two year extension to existing AT&T contract
 - Agreement for AT&T and SBC to purchase services from TWTC
 - Provides continuing stability and predictability to revenue stream from TWTC's largest customer through 2010
- ***SBC Supplier Agreement – Effective June 2, 2005***
 - New 5 year contract to purchase services in SBC Territory
 - Provides stability to special access costs through volume purchasing
 - Provides performance standards for service provided

TWTC's Focus . . .



- ***Unique asset base with powerful networks*** ...
Access to the customer has never been more critical
 - ***Industry-leading product portfolio*** ...
Making businesses run more efficiently
Serving over 20% of Fortune 1000 customers currently
 - ***Leveraging our infrastructure*** ...
Focused on capital efficiency and cash flow
 - ***Innovative solutions and service*** ...
Enabling technology for customer networks
- . . . A differentiated and defensible market position!***

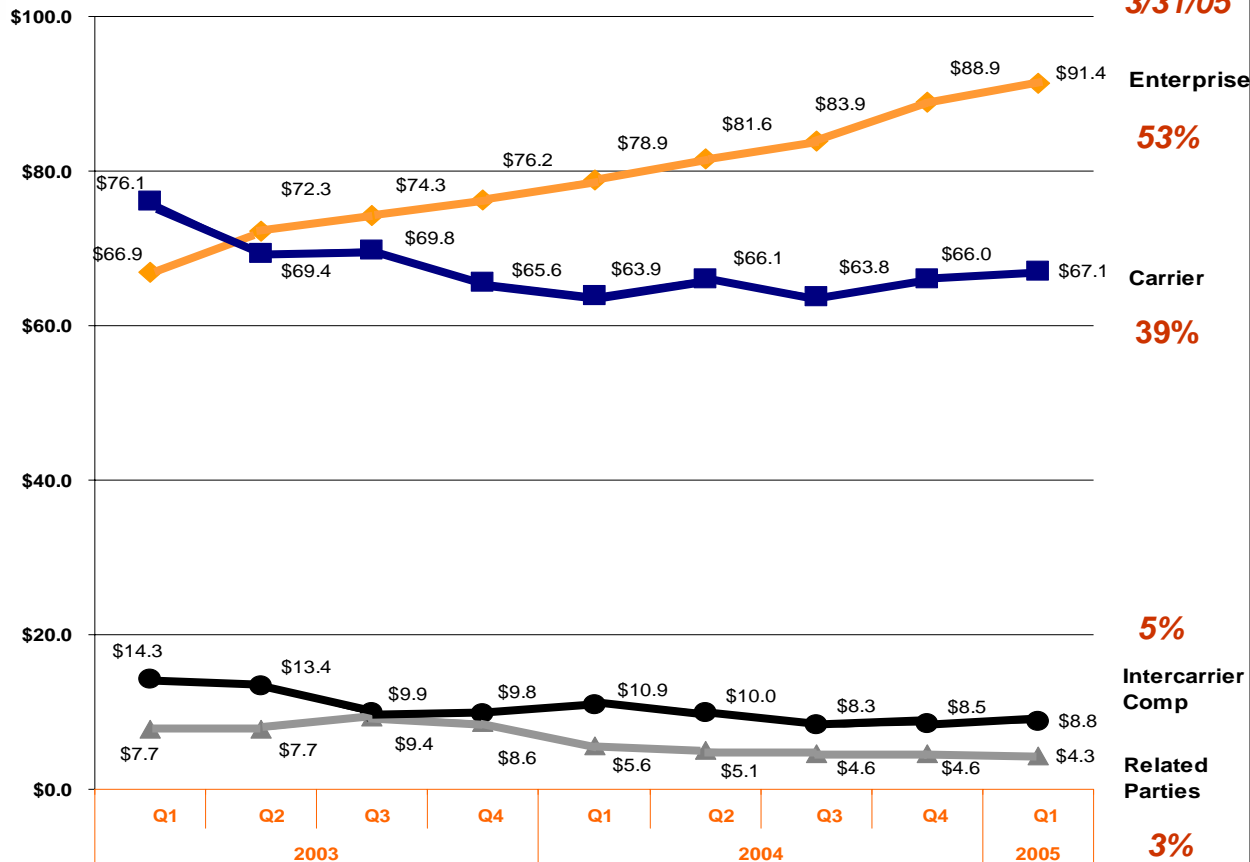


Financial Overview

Revenue Growth ...



\$ millions



Customer Mix
3/31/05

Enterprise

53%

Carrier

39%

5%

Inter-carrier Comp

Related Parties

3%

Q1 2005 Results

(\$ in millions)

- Enterprise Revenue Annual CAGR * (Q1 03-Q1 05) 15.9%
- Gross Margin 61%
- Modified EBITDA Margin ⁽²⁾ 35%
- Capital Expenditures \$39.3
- Unlevered Free Cash Flow ⁽³⁾ \$20.7
- 13 consecutive quarters of unlevered free cash flow ⁽³⁾

* CAGR represents compounded annual growth rate

(1) Excludes MCI and reciprocal compensation settlements.

(2) Includes \$4 million favorable tax resolution in Q1 2005.

(3) Defined as Modified EBITDA less capital expenditures

(4) For a reconciliation to related GAAP measures please see the supplemental earnings information on the Company's website at www.twtelecom.com

Driving Continued Growth . . .



- Investing in the future
 - Building expansions
 - Network and new product expansions
 - Information Technology and Corporate Infrastructure
 - Federal contracts
- Guidance for 2005
 - Approximately \$175 million in capital expenditures

. . . Creating higher long-term margins

Capital Expenditures . . .



Full Yr 2004

\$ in millions

Short-to-Medium Term

Success Based Investments

\$121

(Building entry, fiber, CO augmentation, etc.)

Longer-term strategic investments

- VoIP new product investments 17
- Strategic market expansions 18
- IT/Corporate investments/other 16

Total Capital Expenditures

\$172

Funding of Cap Ex . . .



	<u>Year 2004</u>	<u>Q1 2005</u>
	\$ in millions	
Modified EBITDA	\$213	\$60
Interest Expense ⁽¹⁾	<u>107</u>	<u>29</u>
<i>Available for Investment</i>	106	31
Capital Expenditures	<u>(172)</u>	<u>(39)</u>
Use of Strategic Cash	<u>\$ 66</u>	<u>\$ 8</u>
Balance of Cash & Equivalents	<u><u>\$432</u></u>	<u><u>\$373</u></u>
	<u>As of Dec. 31, 2004</u>	<u>As of Mar. 31, 2005</u>

(1) Excludes write-off of deferred loan costs in both periods, excludes call premium in Q1 2005. Reported Interest expense, net of interest income was \$115.9 million for the year ended December 31, 2004 and \$37.1 million for the first quarter of 2005.

A return Case Study with one Client ...



\$ in 000s

Year:	01	02	03	04	05	06	07	Cumulative Contract Value
Revenue	\$30	\$99	\$199	\$206	\$457	\$500	\$500	\$1,991
M-EBITDA	\$25	\$76	\$162	\$166	\$374	\$408	\$408	\$1,619
Invested Capital	\$72	\$92	\$54	\$0	\$319	\$0	\$0	\$537
Cum. Cash Flow	(\$47)	(\$63)	\$45	\$211	\$266	\$674	\$1082	\$1,082

Locations

1

9 Locations

Services

Transport

Transport, Switched
Internet & data

Projected Return

61% Pre Tax

34% After Tax

Products

1 DS3

22 DS1, 1 DS3,
1 OC12, 26 PRI,
10 MB NLAN

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Customer example varies with each new customer causing differences in returns (e.g. contract length, type of service, pricing)

Our Markets Provide Upside . . .



\$ in millions

Ranked by 2004 EBITDA Margin Performance:

	<u>Revenue⁽¹⁾</u>	<u>M-EBITDA⁽¹⁾</u>	<u>M-EBITDA Margin⁽¹⁾</u>
Top 15 Markets	\$364	\$229	63%
Middle 15 Markets	\$220	\$103	47%
Remaining 14 Markets	\$69	\$ 6	9%
Corporate	<u>-</u>	<u>\$(125)</u>	<u>-</u>
Total	<u><u>\$653</u></u>	<u><u>\$213</u></u>	<u><u>33%</u></u>

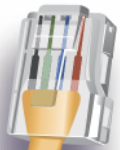
(1) As reported for the year ended December 31, 2004.

. . . To enhance our margins

Financial Summary . . .



- Growing enterprise revenue with high value-added customer solutions
- Integrated product solutions increase average enterprise customer spend
- Strong and consistent Modified EBITDA Margins
- Focused on capital efficiencies by leveraging the network and interconnection
- Strong liquidity



TIME WARNER TELECOM

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Questions & Answers

Reconciliation . . .

\$ in millions

	2003					2004					2005
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3	Q4	Full Year	Q1
Net Loss	\$(33.3)	\$(29.0)	\$(5.7)	\$(21.3)	(89.3)	\$(38.8)	\$(27.2)	\$(30.9)	\$(36.1)	(133.0)	\$(35.2)
Cumulative effect of change in accounting principle	3.0	-	-	-	3.0	-	-	-	-	-	-
Income tax expense	.2	.2	.2	.3	.9	.2	.2	.1	.1	.6	.1
Interest expense, net and other income	24.7	24.6	23.7	20.9	93.9	33.8	27.6	27.7	26.1	115.2	37.1
Depreciation, amortization and accretion	<u>54.1</u>	<u>54.4</u>	<u>56.4</u>	<u>59.0</u>	<u>223.9</u>	<u>56.8</u>	<u>54.6</u>	<u>54.7</u>	<u>64.5</u>	<u>230.7</u>	<u>58.0</u>
Modified EBITDA ⁽¹⁾	\$48.7	\$50.2	\$74.6	\$58.9	\$232.4	\$52.0	\$55.2	\$51.6	\$54.6	\$213.5	\$60.0
Less Capital Expenditures	<u>(22.4)</u>	<u>(27.9)</u>	<u>(34.5)</u>	<u>(44.9)</u>	<u>(129.7)</u>	<u>(31.5)</u>	<u>(44.0)</u>	<u>(46.9)</u>	<u>(49.4)</u>	<u>(171.8)</u>	<u>(39.3)</u>
Unlevered Free Cash Flow	<u>\$26.3</u>	<u>\$22.3</u>	<u>\$40.1</u>	<u>\$14.0</u>	<u>\$102.7</u>	<u>\$20.5</u>	<u>\$11.2</u>	<u>\$4.7</u>	<u>\$5.2</u>	<u>\$41.7</u>	<u>\$20.7</u>

(1) Please see the earnings press release at www.twtelecom.com for further details on financial measures.